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Averting a Rush to Failure: The Interagency Process and United States-North Korea Policy

Lt Col ELISE M. VANDER VENNET, USAF
COURSE 5603
THE INTERAGENCY PROCESS
SEMINAR A

PROFESSOR
COL JAMES R. CALLARD

ADVISOR
COL ROBERT D. ESKRIDGE

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Averting a Rush to Failure: The Interagency Process and United States-North Korea Policy

In the fall of 2000, with only months left in office, the Clinton administration rushed to complete a missile agreement with North Korea. Such an agreement, aimed at limiting both indigenous use and missile exports, would clearly have been one of the administration's most important foreign policy achievements, and could have had far-reaching effects on stability in a region of great economic and security importance to the United States. Yet the negotiations and the potential end game--a Presidential visit to Pyongyang--were fraught with political and diplomatic danger. In the end, the administration came very close to handing North Korea a diplomatic coup without an assured return, but it pulled back at the last moment.

The process that brought about this chain of events was unique, combining aspects of the regular interagency process with the overarching power of a special policy coordinator, who both ran the process and, at times, almost ran away with it. In fact, this case presents an excellent example of both the usefulness and the danger of working outside the confines of the normal interagency process in determining national security policy and demonstrates the importance of having an interagency process that ensures all views are considered in significant policy decisions. As a senior participant observed, "to the extent that the interagency process was followed, it succeeded in getting some serious issues on the table with North Korea and in preventing the administration from overreaching as the issue reached the end game; however, it was often a struggle to keep the issue within the interagency process."[1]

[1] Anonymous senior former Department of Defense official (hereinafter referred to as senior former DoD source), interview by author, Washington DC, 10 Jan 02.

Chronology and Context

Though the focus of this paper is on decisions taken in the autumn of 2000, a number of key events from as far back as 1994 set the stage for the process that arose six years later. First was the Agreed Framework, signed in October 1994 to avert a crisis over nuclear materials production.[2] In exchange for North Korea ceasing operations or construction at two graphite-moderated nuclear reactors, capable of producing plutonium for nuclear weapons development, the United States arranged for the South Korean- and Japanese-led Korean Peninsula Energy Development Organization (KEDO) to construct two light water reactors, considered by some to be more "proliferation resistant." The U.S. agreed to provide heavy fuel oil to North Korea until the new reactors were operating. Because this arrangement required annual Congressional funding for the fuel oil, it gave skeptical Congressional Republicans leverage over a Presidential administration wedded to the concept of engagement with North Korea.

After 1994, despite bilateral contacts and the first missile negotiations in 1996, U.S.-North Korean relations remained largely unchanged until North Korea launched a three-stage Taepo Dong I missile in August 1998. That same year, the intelligence community (IC) produced evidence of an underground facility at Kumchang-ri, which it believed might be associated with nuclear materials production, raising suspicions of North Korean cheating on the nuclear accord. House Republicans, incensed over the belief that the administration had withheld evidence related to the incidents, thought U.S. policy on North Korea was dangerously adrift. As a result, Congress inserted language in the 1998 Department of Defense Authorization Bill calling for the designation of a special coordinator to review North Korea policy and make recommendations

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[2] Full title is *Agreed Framework between the United States of America and the Democratic People's Republic of Korea*, signed in Geneva Switzerland, October 21, 1994. Its purpose was to resolve the crisis over North Korea's threatened withdrawal from the Nuclear Nonproliferation Treaty over inspections of its nuclear facilities.

on its future direction.[3] In November 1998, President Clinton appointed former Secretary of Defense William Perry as North Korea Policy Coordinator and Special Advisor to the President and Secretary of State.

Dr. Perry formed a small, high-level interagency team and began his review. As the effort took shape throughout 1999, interactions and breakthroughs with North Korea accelerated. In May 1999, Dr. Perry and his team traveled to Pyongyang, and later that year, negotiators meeting in Berlin achieved apparent success when North Korea agreed to suspend further missile testing as long as negotiations continued. When Perry published his report in October 1999, he laid out a two-path strategy for relations with North Korea and advocated engagement conditioned on reciprocal North Korean actions. The report recommended the U.S. focus its efforts on North Korea's nuclear and missile programs, as they represented the most serious threats to deterrence and stability on the Korean peninsula.[4]

Having finished his task, Perry stepped down from the position and was succeeded by his deputy, Ambassador Wendy Sherman. Implementing the report's recommendations, Sherman led a new push to engage North Korea. Talks in March 2000 focused on actions the North would have to take to be removed from the U.S. list of terrorism sponsors and yielded a joint statement later that year condemning terrorism. The U.S. also proposed a high-level North Korean visit to the United States.[5] In June, the historic summit between South Korean President Kim Dae Jung and North Korea's Kim Jong Il added to the momentum of events.

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[3] Chuck Downs (independent consultant and author of *Over the Line: North Korea's Negotiating Strategy*), interview by author, by telephone, Washington DC, 11 Jan 02.

[4] Department of State, *Review of United States Policy Toward North Korea: Findings and Recommendations,* Unclassified Report by Dr. William J. Perry, Washington D.C., October 12, 1999.

[5] Leon V. Sigal, "North Korea On hold…again," *Bulletin of the Atomic Scientists*, May-June 2000, 35.

In July 2000, North Korea offered to suspend missile exports, though not production, in exchange for $1 billion a year in compensation. Another offer, communicated through Russian President Putin, suggested North Korea would suspend its long-range missile program in return for foreign launches of its satellites. Finally, in September, North Korean negotiator Kim Gae Gwan told the U.S. he no longer had authority to negotiate missile issues, but Vice Marshal Jo Myong Rok, First Vice Chairman of the National Defense Commission, would be prepared to discuss serious proposals if the U.S. would host him on a high-level visit to Washington.[6]

Despite concerns by some agencies that this visit in itself would confer significant and perhaps too much diplomatic status on North Korea,[7] Jo came to Washington D.C. from 9-12 October 2000, where he was hosted by the Secretary of State and met with President Clinton. Included in his delegation was First Vice Minister of Foreign Affairs Kang Sok Ju, host to Dr. Perry's 1999 visit and lead negotiator of the Agreed Framework. Kang, who the U.S. considered an authoritative negotiator, laid out the details of a potential missile agreement, including limitations on indigenous use as well as on missile exports.[8] Jo also carried an invitation from Kim Jong Il for President Clinton to meet with him in Pyongyang. Just two weeks later, from 23-24 October 2000, Secretary of State Albright led a U.S. delegation on an historic visit to North Korea; its purpose: to clarify the North Korean missile proposals and determine whether the sides could reach agreement in time to arrange a Presidential visit to conclude the accord. As a follow-up, the U.S. and North Korea held three days of missile talks in Kuala Lumpur in early November.

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[6] Senior former DoD source.

[7] Senior former DoD source.

[8] Senior former DoD source.

To this point, the sides had agreed on limiting missile exports, but sticking points remained over indigenous missile deployments, destruction of existing missiles, and verification of limits on missile production. However, the North Korean delegation sent to Kuala Lumpur claimed it did not have the authority to finalize such details, so the negotiations stalled.[9] Despite U.S. offers to meet over the next two months, North Korea would not agree to any high-level talks short of meeting with the President himself. Finally, on 28 December 2000, the White House announced President Clinton's decision not to travel to Pyongyang. Citing the significant progress already made and the potential for further normalization of U.S.-North Korean relations, President Clinton said he regretted the lack of time to finish the process during his term and handed the issue to the incoming Bush administration.[10]

Thus ended the most intense period of diplomacy with North Korea since the 1994 nuclear crisis. To some, it was an opportunity lost; to others, it was a prudent decision which averted a potentially disastrous diplomatic coup for North Korea. In either case, behind the public drama of those months was a policy process largely controlled by a high-level coordinator whose leadership was key to progress, but also held the seeds of a potential policy disaster.

The Players and the Process

The phrase "Perry process" is usually associated with the policy and conduct of U.S. engagement with North Korea, but it can also describe the unique interagency process used to develop and execute that policy. From the time the special coordinator role was initiated in November 1998 to the President's decision two years later not to travel to Pyongyang, it was the

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[9] Anonymous State Department official (hereinafter referred to as DoS source #1), interview by author, Washington DC, 14 Jan 02.

[10] President, Statement, "Statement on Efforts to Improve Relations with North Korea, 28 Dec 00, *Weekly Compilation of Presidential Documents*, 1 Jan 01, v36 i52 p3209.

small, high-level team created through Dr. Perry's initiative that was responsible for developing and directing U.S. policy toward North Korea. While Congress prompted the creation of the special coordinator role, it never intended, or at least never expected that position to last beyond the publication of Dr. Perry's report.[11] However, the administration seized the opportunity of Perry's departure to put in his place an individual they hoped could implement the policy and help bridge the credibility and communication gaps that had developed between the State Department and Congressional leaders. [12]

That individual was Ambassador Wendy Sherman, at the time Dr. Perry's deputy. Whereas Perry had been chosen to lead the review because of his impeccable credentials and credibility within both the administration and Congress, Sherman was chosen because of her political connections and savvy. [13] A former Congressional staffer, previously a legislative liaison officer, and also serving as Counselor to Secretary Albright, Sherman was a natural choice for the job. Initially inexperienced in Asian affairs, by October 1999 she had spent a year directly involved in North Korea policy under Dr. Perry's tutelage. The administration gave her a great deal of latitude and authority in carrying forward Perry's mantle, a stature that was augmented by her close relationship to Albright.[14]

In addition to Sherman, the State Department had several other players involved in North Korea policy. East Asian and Pacific Affairs, the regional bureau with responsibility for Korea, played a role, as did Special Envoy Charles Kartman, who was the U.S. representative to the

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[11] Downs and former senior DoD source.

[12] Downs.

[13] Downs and DoS source #1.

[14] DoS source #1.

Four-Party talks (U.S., China, North and South Korea) and was primarily responsible for nuclear issues. Another critical player was Assistant Secretary of State for Nonproliferation Robert Einhorn, who led most missile negotiations with North Korea. Both Einhorn and Kartman were well respected within the policy community for their expertise and negotiating skills, and they gave great credibility to the process.[15]

Representation from the Department of Defense (DoD) was split, as is usually the case, between the Office of the Secretary of Defense (OSD) and the Joint Staff. In this case, OSD had several representatives, the highest being Principal Deputy Undersecretary of Defense for Policy James Bodner, who was also Counselor and close advisor to Secretary Cohen, and represented DoD during missile negotiations with North Korea. Officials from International Security Affairs rounded out the OSD representation. The primary Joint Staff representatives came from the office of the Deputy J-5 for Asia-Pacific. They also brought to the table the perspectives of the military commands in the region, Pacific Command and United States Forces Korea (USFK).

The final key executive branch organization was the National Security Council (NSC). Having given State Department the lead on Korea policy, the NSC did not play a significant role throughout most of this period. According to a senior participant in the process, Ambassador Sherman's team handled most issues, and it was often a struggle--usually on the part of DoD--to ensure normal interagency coordination, in the form of Deputies and Principals Committee meetings, was conducted. [16]

One notable absence from Sherman's group was the intelligence community. One DoD

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[15] Anonymous Department of Defense official (hereinafter referred to as DoD source), interview by author, Washington DC, 10 Jan 02.

[16] Senior former DoD source.

participant confirmed that their office often received briefings and information from the IC, but that IC representatives were not told the context in which it was being used. The source also could not remember IC participants having a regular place at the table.[17] This seems to be a rather significant oversight, given that the IC is normally involved in verification of arms control agreements and the fact that verification was one of the unresolved issues in the missile talks.

Though Congressional action led to the designation of the special coordinator, Congress did not participate directly in policy deliberations. A group of Congressmen, mostly Republicans, consistently voiced concerns over policy and battled the administration over annual appropriations for KEDO and food aid, but they were largely ignored.[18] The administration did consult with Congress and recognized that Congress would have to fund the requirements of any future missile agreement, however, Congress was not briefed on the specific details as the negotiations progressed. Most of the interagency felt that an agreement would be of such benefit compared to the status quo that Congress would not strongly oppose a final deal.[19]

The administration also met regularly with South Korean and Japanese representatives and considered their concerns on the missile negotiations, though the allies had no direct influence on the final decision on Presidential travel.[20] President Kim Dae Jung encouraged a Clinton visit to Pyongyang because it would support his Sunshine Policy, then under fire from political opposition groups as momentum from the North-South summit slowed. Japan was less interested in the Clinton visit than ensuring any missile agreement eliminated or significantly

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[17] DoD source.

[18] Downs.

[19] Anonymous State Department official (hereinafter referred to as DoS source #2), interview by author, Washington DC, 9 Jan 02.

[20] DoD source.

limited missiles that could strike Japan, a key criteria since the 1998 Taepo Dong launch and critical to keeping Japan in KEDO and the Agreed Framework on track.[21]

In terms of process, involvement in Korea policymaking tended to be restrictive, rather than inclusive, especially as the issues gained sensitivity in the fall of 2000. In addition to concern over leaks was the normal sensitivity that accompanies issues involving direct participation by the President. There were few high-level players and only a handful of action officers. Ambassador Sherman directed the process, calling and chairing most meetings herself. If she was absent on another assignment, the work of the team would continue, but it didn't move forward or take new initiatives without her direct involvement.[22]

One participant observed that Sherman maintained good coordination between all State Department elements, and that the key State and DoD players were included in team meetings.[23] However, while DoD representatives were regular participants in the deliberations, some USFK and Joint Staff officers felt the uniformed services were kept at arm's length and that their concerns over particular features of the missile agreement weren't given much weight by the State Department. This was in marked contrast to the close consultation conducted by Dr. Perry with the USFK Commander and policy staff in 1999. [24]

Because Sherman carried so much authority, she was also able to filter out dissenting views. Agencies that felt their views were not considered, or were rejected, had to raise them to the deputies or principals to ensure a fair hearing. Even at that level, issues were not always handled

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[21] James Riggins, Col, USAF (former Chief of Strategy and Policy, J-5, United States Forces Korea, interview by author, Washington DC, 7 Jan 02.

[22] DoD source.

[23] DoD source and DoS source #2.

[24] Riggins.

through normal NSC-run processes, but through the informal workings of the "ABC" group, the channel between Albright, National Security Advisor Berger, and Defense Secretary Cohen.[25] This dynamic, coupled with Sherman's access to Albright, gave her tremendous ability to influence the direction of policy.

End Game

It had become apparent to the senior missile negotiators after Kuala Lumpur and certainly by late November, as the North Koreans rebuffed requests for additional high-level talks, that agreement could not be reached in time for Presidential travel.[26] Though the sides remained far apart with no hope of resolution, the decision for the President not to go wasn't made until the end of December, and this conclusion was far from certain in the waning days of 2000.

Two factors weighed prominently in the deliberations. First were the substantive concerns over the missile agreement. It was generally agreed that the President should not travel to North Korea without a reasonable chance of being able to sign a mutually beneficial missile accord. Where agency participants differed was on how much and which specific aspects of the agreement had to be settled in advance.[27] The dealmakers, people like Sherman and Albright, and State's country team, were more willing to take a chance on final resolution in Pyongyang, while those who would have to implement the agreement or negotiate final details after a Presidential-level accord was signed, people like Einhorn, Bodner, and DoD in general, were much more insistent on having the details worked out in advance.[28]

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[25] DoS source #1.

[26] Senior former DoD source.

[27] Senior former DoD source.

[28] DoD source.

The other concern was the embarrassment factor. Even the most optimistic members of the administration didn't harbor any illusions about the vile nature of the North Korean regime, a totalitarian government that had long abused its own people and threatened the U.S. and its allies. Fifty years of deceptive and disingenuous negotiating behavior also gave reason for caution. North Korea could be setting up the President for a one-way deal: concessions and a visit to Pyongyang, giving Kim Jong Il much-desired international recognition, for only general promises in return.

On the other hand was the tantalizing prize of a significant diplomatic and security breakthrough with North Korea and the momentum generated by the rapid pace of events in the last half of the year. How to handle the end game came down to a difference of perspectives on the basic issue of whether North Korean actions reflected a genuine desire to change the nature of the relationship or a deception intended to extort more benefits from the United States. On this issue, senior State Department officials, at least to the level of Wendy Sherman and probably including Secretary Albright, advocated a more optimistic view. As strong proponents of engagement with North Korea, and with a personal stake in the success of the Perry process, they believed President Clinton would be able to sign a reasonably verifiable, mutually beneficial agreement if he traveled to Pyongyang.[29] Senior DoD officials and the missile negotiators were considerably less sanguine, and the NSC counseled against a trip if a deal was not assured.[30] The latter agencies were ultimately successful in airing these concerns to the President.

Though some commentators have focused on the role of the undecided U.S. presidential

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[29] Wendy R. Sherman, "Past Progress and Next Steps with North Korea," Remarks at the United States Institute of Peace, Washington DC, 6 March 2001. Also, DoS source #1.

[30] Senior former DoD source, DoS source #1.

election and Clinton's work on the Middle East peace process as factors in the decision, most insiders downplayed the importance of these events. It is true that the delayed election did slow consultation with the incoming administration, but the Bush team went out of its way to state that it would not interfere with President Clinton's prerogative to act and Clinton did not behave at all like a lame duck, carrying out other policy decisions, legislation, and executive actions until the final moments of his term. If it was a factor at all, the election ranked far down the list after concerns over the details of the missile agreement and over having enough time to muster Congressional support for the deal.[31]

Assessment

On the whole, the North Korea policy process deserves mixed reviews. In some ways, the process worked extremely well. The small group, high-level nature of the Korea team allowed the administration to quickly act on the momentum generated by the North Korean initiatives in the summer and fall of 2000. Because the process was centralized, with a leader that had the authority and political clout to direct the process, it was able to take advantage of the situation and move forward with a groundbreaking agreement that had the potential to significantly alter the missile threat posed by North Korea.[32] It succeeded in this aspect of the process as long as the primary organizations concerned with North Korean security issues--State Department and the Department of Defense--were included in the inner circle.

Conversely, the danger of this kind of structure is the ability for a single player, even one acting with the authority of the administration and within the general bounds of its policy views,

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[31] Ivo H. Daalder & James M. Lindsay, "Lame-Duck Diplomacy," *Washington Quarterly*, Summer 2001, 18, 25-26. Also, DoD source.

[32] Jodi J. Kessinger (Country Director for Korea, Office of Asian Pacific Affairs, Office of the Assistant Secretary of Defense for International Security Affairs), interview by author, Washington DC, 10 Jan 02.

to filter out advice that doesn't fit a preconceived policy slant. While the administration eventually reached the correct conclusion--that there was insufficient agreement on the details of a missile accord to risk the prestige of a Presidential visit to Pyongyang, the proponents of this view had to use their own high-level channels to voice their concerns and bring the deliberations back into the realm of interagency coordination.

In the end, the ultimate guarantor of a successful policy outcome was the extent to which the major decisions were not made by Ambassador Sherman's team, but through the normal interagency processes directed by the NSC and through the informal interactions of the Principals. In these meetings, the agencies with more cautionary views such as DoD and the NSC itself, and agencies not well represented in the small group effort, such as the intelligence community, could air their concerns on a more equal footing with other participants, ensuring senior policymakers were aware of all the considerations. That the NSC "had its hand on the rudder" in the end game of the deliberations on a Presidential visit it seems was a critical factor in the final decision.[33]

The formulation of North Korea policy in the fall of 2000 illustrates the benefits and potential pitfalls of using a special coordinator to direct the policy process. In the end, it took both the weight of substantive failure and concern over political risk to overcome the momentum of events and the influence of the special coordinator and reach the correct decision. The interagency process is designed, in its inclusiveness, to avoid giving undue weight to one agency or individual. The near avoidance of significant overreach in the Clinton administration's final North Korea policy actions demonstrates convincingly that it should be followed.

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[33] Senior former DoD source.

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